

January 8, 2016

Name Address City, ST ZIP

RE: South Hillsboro Finance Plan update, Petition to form a Local Improvement District

Dear South Hillsboro Neighbor:

Greetings! I am writing today to inform you that the City of Hillsboro is moving to finalize the South Hillsboro Finance Plan by July 1, 2016 and that a major transportation investment, the Cornelius Pass Road Extension project, is expected to break ground this summer. These two events are significant milestones for South Hillsboro and mark an important transition from planning to construction.

As part of that work we have learned that several of the larger South Hillsboro property owners intend to file a petition with the Hillsboro City Council to form a Local Improvement District (LID). The purpose of the LID is to help finance transportation improvements in South Hillsboro, and is in accordance with the Transportation System Development Charge (TSDC) methodology adopted by the City Council in July 2015.

As a South Hillsboro property owner you are eligible to join the LID, but you are not required to do so. If you elect to join the LID now you may reduce the future costs of development that you would otherwise incur if or when you develop your property in the future. However, joining the LID now would also trigger a new special LID assessment on your property. The decision to join the LID is ultimately up to you, and we wanted to make sure you are aware of this opportunity now. If you elect to join the LID, you will need to complete the appropriate paperwork on or before April 4, 2016.

This letter and accompanying fact sheet provide an overview of the proposed Local Improvement District and the overall vision for the future development of South Hillsboro. As noted below, we have scheduled two community meetings to present additional information and respond to your questions. Below are answers to some questions that you may have.

What is the overall vision for South Hillsboro?

South Hillsboro is projected to be home to as many as 20,000 new residents by the year 2035. The area will offer a diverse range of living, shopping and service options, and will feature more than 300 acres of new parks, open spaces and trails. Residents will connect to schools, urban

amenities and employment centers through a multi-modal transportation network, including new roads, world-class bicycle infrastructure and transit service.

Please visit the City website, <u>www.Hillsboro-Oregon.gov/SouthHillsboro</u>, to learn more about the planning process, specific plans for the various subareas or to download the full South Hillsboro Community Plan.

What is a Local Improvement District, and why do we need one in South Hillsboro?

Oregon law authorizes local governments to establish Local Improvement Districts and levy special assessments to pay for improvements that benefit participating property owners. In this case, revenue generated by the South Hillsboro LID would be spent exclusively on transportation infrastructure required to serve traffic in the new community.

The total cost for the South Hillsboro Phase 1 transportation improvements is projected to exceed \$40 million. Most of the cost will be financed through a mix of private and public funds, including developer-paid Transportation System Development Charges (TSDCs) and revenue raised by the proposed LID.

The proposed LID would raise at least \$10.5 million. LID monies would be used to help finance portions of the Phase I transportation improvements over the next three years including the Cornelius Pass Road extension, rail crossing enhancements and new arterial road construction.

Is property owner support required to form a Local Improvement District?

Yes. Formation of a LID must by supported by property owners representing at least sixty percent (60%) of the land inside the proposed assessment area. The property owners intending to file the LID petition include Pahlisch Homes, GLC-South Hillsboro LLC and Hagg Lane LLC. <u>In this case</u>, only property owners electing to join the LID will be included in it.

How will I be impacted by the Local Improvement District designation?

LID assessments can be paid in one lump sum or in annual installments over a specific period of time. After the LID petition is filed with the City Council, a detailed engineering report will be prepared that will determine the amount and timing of assessments levied on property owners who elect to join the LID. The amount of an individual property assessment is based on a formula that considers the final cost of the improvements, a property's forecasted traffic impacts and its net buildable acreage.

What do I need to do?

As the LID details unfold the City will post the LID information on the City's website at www.Hillsboro-Oregon.gov/SouthHillsboro. The first round of materials should be posted online in February. These materials will explain how an individual property owner can elect to join the LID. In addition, the City will host two community meetings at Rosedale Elementary

School (3901 SE 67th Avenue) on January 21 and 25. Both meetings begin at 6 PM. You may also contact me at the number or email below to discuss your property and the potential LID assessments. Staff will also conduct multiple visits to your neighborhood over the next two weeks so please feel free to ask questions if you encounter them.

If you elect to join the LID, you will need to complete the appropriate paperwork on or before April 4, 2016. Once this first LID is officially formed, no additional property owners will be eligible to participate in it. Additional LIDs may be formed in the future if and when circumstances permit.

What are the next steps in this process?

The first steps are the January 21 and 25 community meetings at Rosedale Elementary School, followed by the LID petition submitted to the City Council on February 2nd. After the LID petition is submitted the City will prepare a LID engineering report, and staff will schedule a public hearing before City Council to consider LID formation. We anticipate that the engineering report will take approximately two months to prepare and should be available in early April. A public hearing will take place in early May. If the LID formation is approved, the Council will then adopt the LID engineering report and the Phase 1 transportation improvements can proceed. Participating property owners will receive notices for all public hearings. **Table 1** outlines the anticipated timeline for key activities and decisions in the months ahead. Additional public meetings may be added to the schedule, and information will be mailed to you if the schedule is amended.

Table 1Preliminary South Hillsboro Finance Plan Adoption Schedule

Date	Meeting	Notes
January 21, 2016		South Hillsboro Public Meeting #1
January 25, 2016		South Hillsboro Public Meeting #2
February 2, 2016	City Council	Property owner LID petition
April 4, 2016		South Hillsboro property owner deadline for filing
		paperwork to join the LID
April 6, 2016		LID Engineering Report submitted to Recorder
April 7, 2016		Publish 1 st LID public notice in newspaper
		Certified LID mailing to property owners
April 14, 2016		Publish 2 nd LID public notice in newspaper
April 19, 2016	City Council	First reading South Hillsboro Finance Plan (if a new
		ordinance is needed)
May 3, 2016	City Council	LID Public Hearing
May 17, 2016	City Council	Second reading South Hillsboro Finance Plan (or
		resolution if an ordinance is not needed)
		Final resolution on LID establishment
May 18, 2016		Public notice of LID resolution published

What happens if I elect to NOT join the LID?

Nothing. Your property will not be included in this LID and no special assessments from this LID will be levied on your property. However, if you do not elect to join the LID and you choose to develop your property later, you will incur the full cost of the South Hillsboro Transportation System Development Charge (TSDC) at that time.

I hope you find this information to be helpful. We welcome your questions and look forward to assisting you as you consider your participation in the LID. For more information, please contact me directly at the telephone number or email address below.

Sincerely,

CITY OF HILLSBORO

Mr. Gregg Snyder, AICP, CCTM
South Hillsboro Project Manager
City of Hillsboro Planning Department
503-681-6418
Gregg.snyder@hillsboro-oregon.gov